

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 18, 2012

Brad Boyter Western Clay Company 620 East State Road 24 PO Box 127 Aurora, Utah 84620

Subject: <u>Deficient Notice of Intention to Commence Small Mining Operations</u>, Western Clay Company, Nielson Mine, S/039/0031, Sanpete County, Utah

Dear Mr. Boyter:

The Division of Oil, Gas and Mining has reviewed the referenced Notice of Intention to Commence Small Mining Operations (NOI), and the following items will need to be addressed before the NOI can be determined complete:

- 1. General—Provide the results of a cultural resources (archaeology) report for those areas not already impacted by past mining.
- 2. Page 1– Add the correct Entity Number (635119-0142) for the business license.
- 3. Page 2– Correct the name of the registered Utah agent listed in your proposed NOI (page 2) and/or update information on file with the Division of Corporations so the documents are consistent.
- 4. Page 3- Correct the names of the officers/principals listed in your proposed NOI (page 3) and/or update information on file with the Division of Corporations so the documents are consistent.
- 5. Page 3– Indicate somewhere on the form whether the proposed mine will be located in an incorporated area (city). This information is requested in the Division's updated NOI form.
- 6. Page 7– New mine NOI forms must be signed by one of the company principals. Please have one of the current principals listed with the Division of Corporations sign the NOI.
- 7. Location Map—Provide a complete location map showing road access to the site from the nearest paved highway. Identify the names of the main roads.

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- 8. Operation Map—Identify the roads and the other unidentified lines.
- 9. Cross-sections—Cross-sections are not required for a small mine NOI. Either:
 - a. Remove the cross sections and the associated plan map from which the cross sections are taken <u>and</u> indicate on page 5 that you will be backfilling the pit, OR,
 - b. Correct the cross section map and the cross sections of the pit so that they match the operations map. The pits shown on both maps are shaped and oriented differently.
- 10. Reclamation Contract While not part of the NOI, a Reclamation Contract will also be required prior to final NOI approval, and can be found at: https://fs.ogm.utah.gov/pub/mines/minerals_related/forms/MR-RC-SMO.pdf
- 11. Reclamation Surety– Reclamation surety is also required. Using the Division's average surety cost per acre, your proposed 10 acre mine site will require a surety amount of \$51,100 for a 3-year adjustment period, or \$52,200 for a 5-year adjustment period.

Please provide your response as replacement pages to the original NOI, using Form MR-REV-SMO/EXP, available on the Division's web site at www.ogm.utah.gov.

Please call Peter Brinton at 801-538-5258 or me at 801-538-5261 if you have any questions regarding this letter. In reply, <u>please refer to file number S/039/0031</u>. Thank you for your cooperation.

Sincerely,

Paul B. Baker Minerals Program Manager

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